
Development (Impact) Fees

City of Tucson Streets Facilities Fee Report

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Introduction

The City of Tucson collects development fees to offset some of the infrastructure costs associated with growth. The City currently charges fees for four public service categories: (1) streets facilities, (2) parks and recreational facilities, (3) police and (4) fire. In order to continue assessing and collecting the fees, the City must comply with Arizona Revised Statute ARS §9-463.05, as amended. Consequently, the City is preparing new development fee studies, project lists, fee schedules, fee reports and a City ordinance.

The statute, which codifies Senate Bill 1525, includes major changes in development fee assessment procedures and programs. The statute limits the types of “necessary public services” which fees can fund. A municipality must develop two preliminary products prior to calculating the fees for each service category: a set of land use assumptions and an infrastructure improvements plan (IIP). These documents (the Land Use Assumptions report and four IIP reports) were adopted by the Mayor and Council on August 5, 2014. The adopted Streets Facilities IIP is hereby incorporated by reference.

The City has five service areas for street improvements, as shown in Exhibit 1. This Development Fee Report identifies the maximum recommended fees associated with projects in the Streets IIP.

Streets Components and Fundable Improvements

A list of proposed streets improvements to be funded between 2015 and 2025 is shown in Exhibit 2, which corresponds with Exhibit 2 of the Streets IIP. The list includes projects in each of the five service areas. Total costs of improvements associated with new development are \$257,894,136. These components are eligible pursuant the definitions of necessary public services in A.R.S. §9-463.05 (T)(7)(e).

Exhibit 1 Streets Facilities Service Areas

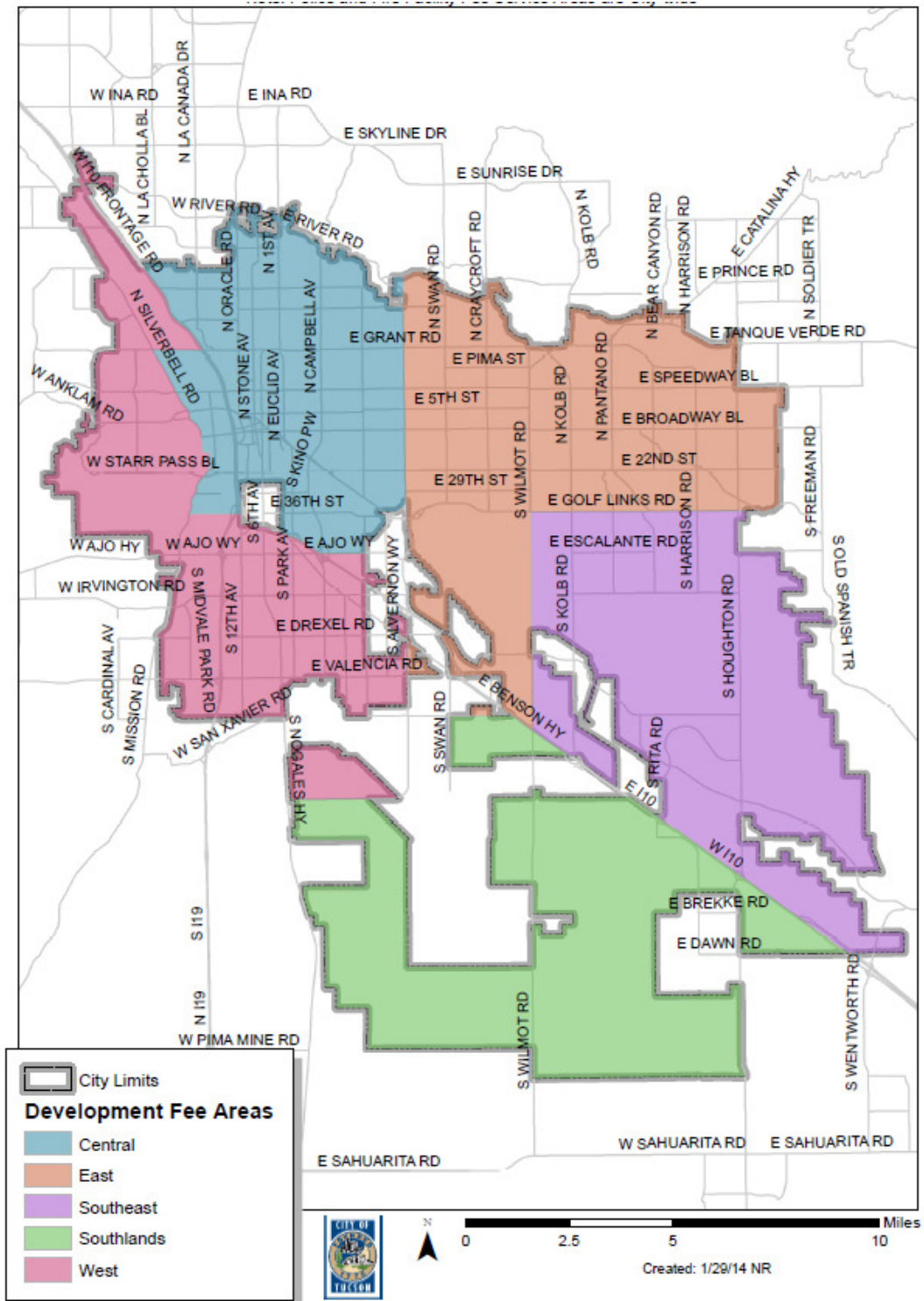


Exhibit 2 Necessary Streets Facilities for Existing and New Development

	Road Project		Limits		Project	# of Existing Lanes	# of Lanes	Length (mi)/ Units	New capacity lane-miles	New sidewalk-only miles	Total Project Cost (RTA)	City Contribution to RTA Project	Non-RTA Total Project Cost (Estimated)	Non-RTA Project Cost (Attributed to New Development)	Total Attributed to New Development	Source	Notes	
Central	22nd Street	I-10	Tucson Blvd	Widen from 4 lanes to 6	4	6	2.6	5.2			\$118,532,400	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Broadway Boulevard		Euclid Ave	Widen from 5 lanes to 8	5	8	1.9	7.6			\$74,760,600	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	First Avenue		River Rd	Widen from 4 lanes to 6	4	6	3.1	6.2			\$79,372,610	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Grant Road		Oracle Rd	Widen from 4 lanes to 6	4	6	5.0	10.0			\$175,434,650	\$6,000,000			\$6,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Country Club Road	Ft. Lowell Rd	Prince Rd	Widen to 5 lanes, add sidewalks	2	5	0.5	1.5					\$4,722,449	\$1,224,329	\$1,224,329	RSR Cost Estimation	Based on ratio of increase in volume to increase in capacity, 26% applied to new development	
	Campbell Avenue	Grant Rd	Ft. Lowell Rd	Right turn lanes, bus pullouts (will require ROW)	5	5	1.0				\$1,800,000		\$1,350,000	\$1,350,000	RTA Built Projects^, RSR Cost Estimation for ROW	75% Applied to New Development		
	Speedway Boulevard	Alvermon Wy	Wilmot Rd	Sidewalks	N/A	N/A	3.0		6.0		\$3,000,000		\$2,250,000	\$2,250,000	Comparable Sidewalk Projects in TIP	75% Applied to New Development		
	Speedway Boulevard		4th Ave	Park Ave	Sidewalks	N/A	N/A	0.5	1.0		\$500,000		\$375,000	\$375,000	Comparable Sidewalk Projects in TIP	75% Applied to New Development		
	Stone Avenue		Grant Rd	Lumberlost Dr	Sidewalks	N/A	N/A	2.3	4.6		\$2,300,000		\$1,725,000	\$1,725,000	Comparable Sidewalk Projects in TIP	75% Applied to New Development		
	Ft. Lowell Road		Euclid Ave	Oracle Rd	Sidewalks	N/A	N/A	1.00	2.0		\$1,000,000		\$750,000	\$750,000	Comparable Sidewalk Projects in TIP	75% Applied to New Development		
	Campbell/Prince	Intersection			Right turn lanes, bus pullouts (will require ROW)	N/A	N/A	N/A			\$2,500,000		\$1,875,000	\$1,875,000	(http://www.rtamobility.com/documents/intersectionsafetyupgradesscr.pdf) - average of 14 projects	RTA built projects	75% Applied to New Development	
	Alvermon/Ft. Lowell	Intersection			Right turn lanes, bus pullouts	N/A	N/A	N/A			\$2,500,000		\$1,875,000	\$1,875,000	(http://www.rtamobility.com/documents/intersectionsafetyupgradesscr.pdf) - average of 14 projects	RTA built projects	75% Applied to New Development	
Modern Streetcar Line Extension (In-Pavement Components, Proposed)	UMC to Tohono T'adai Center		Streetcar Line Extension (Proposed)				4.7			\$188,000,000 (Proposed)	\$28,000,000			\$28,000,000	CLA	15% Applied to New Development		
Bus Pullout Program	19 Locations *		New bus pullouts	N/A	N/A	19				\$2,850,000		\$2,137,500	\$2,137,500	(http://www.rtamobility.com/documents/pdfs/RTACART/2013/RTACART-2013-07-31-Presentation-BusPulloutReport.pdf)	RTA built projects	75% Applied to New Development		
Central Benefit Area Totals: \$448,100,260 \$43,000,000 \$21,172,449 \$13,561,829 \$56,561,829																		
West	Silverbell Road	Ina Rd	Grant Rd	Widen from 2 lanes to 4	2	4	7.6	15.2			\$61,955,610	\$8,000,000			\$8,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Sunset Road	Silverbell Rd	I-10/River Rd	New 3-lane roadway	N/A	3	0.9	2.7			\$39,062,010	\$5,000,000			\$5,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Grant Road	Silverbell Rd	I-10	Widen from 4 lanes to 6	4	6	1.4	2.8					\$11,760,000	\$4,014,739	\$4,014,739	COT Staff	Based on ratio of increase in volume to increase in capacity, 34% applied to new development	
	Ironwood Hill	Shannon	Silverbell Rd	Widen from 2 lanes to 4, includes 1 HAWK	2	4	1	2					\$15,000,000	\$5,508,078	\$5,508,078	COT Staff	Based on ratio of increase in volume to increase in capacity, 37% applied to new development	
	Ajo Way	Park Ave	Mission Rd	Right turn lanes, bus pullouts, sidewalks, access control	N/A	N/A	2.0		4.0				\$4,550,000	\$3,412,500	\$3,412,500	RTA Built Projects^	Excludes Holiday Isle to 16th Street 75% Applied to New Development	
	Irvington Road	Mission Rd	I-19	Right turn lanes, bus pullouts, sidewalks, access control	N/A	N/A	1.3		2.6				\$2,950,000	\$2,212,500	\$2,212,500	RTA Built Projects^	75% Applied to New Development	
	12th Avenue	Ajo Wy	Drexel Rd	Right turn lanes, bus pullouts, sidewalks, access control	N/A	N/A	2.0		4.0				\$4,250,000	\$3,187,500	\$3,187,500	RTA Built Projects^	75% Applied to New Development	
	Campbell Avenue	Irvington Rd	Valencia Rd	2 HAWKS, pedestrian refuges	N/A	N/A	N/A				\$400,000		\$300,000	\$300,000	COT Staff	75% Applied to New Development		
	Park Avenue	Irvington Rd	Valencia Rd	Bus pullouts	N/A	N/A	N/A				\$500,000		\$375,000	\$375,000	COT Staff	75% Applied to New Development		
	Drexel Road	12th Ave	Campbell Ave	Curb, sidewalk, bike lanes	N/A	N/A	2.0		4.0				\$5,080,000	\$3,810,000	\$3,810,000	RSR per mile costs plus sidewalk costs	75% Applied to New Development	
	West Benefit Area Totals: \$101,017,620 \$13,000,000 \$44,490,000 \$22,820,318 \$35,820,318																	

Exhibit 2 (continued) Necessary Streets Facilities for Existing and New Development

	Road Project		Limits		Project		# of Existing Lanes	# of Lanes	Length (mi)/ Units	New capacity lane-miles	New sidewalk-only miles	Total Project Cost (RTA)	City Contribution to RTA Project	Total Project Cost (Estimated)	Project Cost (Attributed to New Development)		Source	Notes	
East	22nd Street	Camino Seco	Old Spanish Tr	Widen from 2 lanes to 4	2	4	1.2	2.4				\$15,144,000	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	22nd Street	Old Spanish Tr	Houghton Rd	Widen from 2 lanes to 3	2	3	0.8	0.8								\$0	RTA	Only City Contribution applied to Devel Fee Calc	
	Broadway Boulevard	Camino Seco	Houghton Rd	Widen from 3 lanes to 4	3	4	2.0	2.0				\$16,086,800	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Houghton Road	Golf Links Rd	Tanque Verde Rd	Widen from 2 lanes to 4	2	4	4.1	8.2				\$62,290,133	\$5,676,923			\$5,676,923	RTA	Cost of Houghton Road project is \$197,505,300. This represents proportional cost based on length (4.1 of 13 miles).	
	Speedway Boulevard	Camino Seco	Houghton Rd	Widen from 2/3 lanes to 4	2/3	4	2.0	4.0				\$17,127,000	\$3,000,000			\$3,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Valencia Road	Alvermon Wy	Kolb Rd	Widen from 4 lanes to 6	4	6	4.3	8.6				\$51,124,970	\$5,676,923			\$5,676,923	RTA	Only City Contribution applied to Devel Fee Calc	
	Camino Seco	Wrightstown Rd	Speedway Blvd	Widen from 2 lanes to 4	2	4	0.6	1.2						\$5,000,000	\$993,803	\$993,803	COT Staff	Based on ratio of increase in volume to increase in capacity, 20% applied to new development	
	Pantano Road	22nd St	Golf Links Rd	Sidewalks	N/A	N/A	1.3		2.6					\$1,300,000	\$975,000	\$975,000	RTA Built Projects	75% Applied to New Development	
	22nd Street	Alvermon Wy	Wilmot Rd	Sidewalks	N/A	N/A	3.0		6.0					\$3,000,000	\$2,250,000	\$2,250,000	RTA Built Projects	75% Applied to New Development	
	Wilmot Road	22nd St	Speedway Blvd	Sidewalks, 2 HAWKs	N/A	N/A	2.0		4.0					\$2,240,000	\$1,680,000	\$1,680,000	RTA Built Projects	75% Applied to New Development	
	Speedway Boulevard	Alvermon Wy	Wilmot Rd	Sidewalks with ROW	N/A	N/A	3.0		6.0					\$4,500,000	\$3,375,000	\$3,375,000	RTA Built Projects, RSR Cost Estimation for ROW	75% Applied to New Development	
	Rosemont Boulevard	Speedway Blvd	Broadway Blvd	Right turn lanes, sidewalks, 2 HAWKs	3	3	1.0		2.0					\$2,350,000	\$1,762,500	\$1,762,500	RTA Built Projects^	75% Applied to New Development	
	Pima Street	Alvermon Wy	Swan Rd	Sidewalks	N/A	N/A	1.0		2.0					\$1,000,000	\$750,000	\$750,000	RTA Built Projects	75% Applied to New Development	
	Speedway Boulevard/Craycroft Road	Intersection			Intersection Improvements		N/A	N/A	N/A					\$5,000,000	\$3,750,000	\$3,750,000	COT Staff	75% Applied to New Development	
	Speedway Boulevard/Swan Road	Intersection			Intersection Improvements		N/A	N/A	N/A					\$5,000,000	\$3,750,000	\$3,750,000	COT Staff	75% Applied to New Development	
	Golf Links Road/Swan Road	Intersection			Intersection Improvements		N/A	N/A	N/A					\$5,000,000	\$3,750,000	\$3,750,000	COT Staff	75% Applied to New Development	
	River Road/Craycroft Road	Intersection			Intersection Improvements		N/A	N/A	N/A					\$1,000,000	\$750,000	\$750,000	COT Staff	75% Applied to New Development	
	Broadway Boulevard/Pantano Road	Intersection			Intersection Improvements		N/A	N/A	N/A					\$5,000,000	\$3,750,000	\$3,750,000	COT Staff	75% Applied to New Development	
	Bus Pullout Program	20 Locations*			New bus pullouts		N/A	N/A	20						\$3,000,000	\$2,250,000	\$2,250,000	RTA Built Projects	75% Applied to New Development
East Benefit Area Totals:												\$161,772,903	\$20,353,846	\$43,390,000	\$29,786,303	\$50,140,149			
Southeast	Houghton Road	I-10	Old Vail Rd	Widen from 2 lanes to 4	2	4	1.8	3.6				\$135,215,167	\$12,323,077			\$12,323,077	RTA	Cost of Houghton Road project is \$197,505,300. This represents proportional cost based on length (8.9 of 13 miles).	
	Houghton Road	Old Vail Rd	Golf Links Rd	Widen from 2 lanes to 6	2	6	7.2	28.8									RTA		
	Valencia Road	Kolb Rd	Houghton Rd	Widen from 2 lanes to 6	2	6	4.6	18.4				\$38,251,000	\$5,000,000			\$5,000,000	RTA	Only City Contribution applied to Devel Fee Calc	
	Poorman Road	Houghton Rd	Valencia Rd	New 4-lane roadway	2**	4	2.0	6.7						\$12,595,455	\$12,595,455	\$12,595,455	COT Staff	All Applied to new development	
	Valencia Road	Houghton Rd	City Limits	New 4-lane roadway	N/A	4	2.0	8.0						\$12,303,136	\$7,449,447	\$7,449,447	Designer Cost Estimate	Only City Contribution applied to Devel Fee Calc	
	Val Vista	Valencia Rd	Mary Ann Cleveland Wy	New 4-lane roadway	N/A	4	4.5	18.0						\$29,922,955	\$29,922,955	\$29,922,955		All Applied to new development	
	Rita Road	Houghton Rd	Val Vista	New 4-lane roadway	N/A	4	2.5	10.0						\$18,722,727	\$18,722,727	\$18,722,727		All Applied to new development	
	Old Vail Road	Rita Road	Houghton Rd	Widen from 2 lanes to 4	2	4	1.6	3.2						\$8,960,000	\$4,823,996	\$4,823,996		Based on ratio of increase in volume to increase in capacity, 54% applied to new development	
	Mary Ann Cleveland Way	Houghton Rd	City Limits	Widen from 2 lanes to 4	2	4	3.0	6.0						\$16,800,000	\$8,980,237	\$8,980,237		Based on ratio of increase in volume to increase in capacity, 44% applied to new development	
	Irvington Road	Pantano Rd	Camino Seco	Widen from 2 lanes to 4	2	4	2.0	4.0						\$11,200,000	\$3,267,122	\$3,267,122		Based on ratio of increase in volume to increase in capacity, 29% applied to new development	
	Irvington Road	Camino Seco	Houghton Rd	Widen from 2 lanes to 4	2	4	2.0	4.0						\$11,200,000	\$5,986,825	\$5,986,825		Based on ratio of increase in volume to increase in capacity, 53% applied to new development	
Southeast Benefit Area Totals:												\$173,466,167	\$17,323,077	\$121,704,272	\$91,748,764	\$109,071,841			
Southlands	Wilmot Road	I-10	End of Road (1.5 Miles)	Widen from 2 lanes to 4	2	4	1.5	3.0						\$8,400,000	\$6,300,000	\$6,300,000	COT Staff	75% Applied to new development	
	Southlands Benefit Area Totals:												\$0	\$0	\$8,400,000	\$6,300,000	\$6,300,000		
							TOTALS	194.12	50.80	\$1,072,356,950	\$93,676,923	\$239,156,721	\$164,217,213	\$257,894,136					
* See Appendix for list of locations																			

*See Appendix for list of locations

**Poorman Rd is currently paved from Houghton Rd approximately 3,500 feet east

*Right turn lane cost was estimated based on bus pullout costs due to similar project type.

New Dev Cost = \$257,894,136

Development Fees for Streets Facilities

The analysis of recommended fees for the various land use categories, as applied to the five service areas, takes into consideration several factors. These include the trip generation rates, percent of primary trips, length of travel on the major collector/arterial system, and the current expected cost of roadway capacity. These factors are inherent in the summary matrix provided in Exhibit 3, which defines the recommended maximum fee for each land use. This table also includes credits for the Regional Transportation Authority sales tax (RTA) and HURF, which were detailed in the Streets Facilities IIP, as appropriate.

LOS D is the typical standard for urban areas. As discussed in the Streets IIP, the existing system performance varies by service area. Continuing to provide the existing LOS B and C in the West, Southeast, and Southlands areas would result in a significantly higher fee than the average fee calculated for LOS D performance. Exhibit 4 shows the implications of maintaining the existing LOS in those areas. The fee estimates in the table are based on cost per lane-mile of arterial capacity at LOS D, factored by the ratio of arterial capacity at LOS C and LOS B. As indicated, fees would more than double in the West and Southeast areas, and triple in the Southlands area.

Exhibit 3 Derivation of Fees

Land Use Category	Unit	Gross Fees (based on SFR)* All Service Areas	SUs per Unit	Residential/Non-Residential Factor	Net Fees prior to Offsets	Offsets		Base Fees** All Service Areas
						HURF Credit	RTA Credit	
Residential								
<i>Single Family Residential</i>	Dwelling Unit	\$9,496	1.0	65%	\$6,173	\$156	\$326	\$5,691
<i>Condo/Townhouse</i>	Dwelling Unit	\$9,496	0.7	65%	\$4,321	\$109	\$153	\$4,059
<i>Multi-Family/Apartment</i>	Dwelling Unit	\$9,496	0.6	65%	\$3,704	\$94	\$153	\$3,457
Non Residential								
<i>Retail</i>	1000 sf	\$9,496	2.0	35%	\$6,647	\$0	\$140	\$6,507
<i>Office</i>	1000 sf	\$9,496	1.2	35%	\$3,988	\$0	\$191	\$3,797
<i>Industrial</i>	1000 sf	\$9,496	0.3	35%	\$997	\$0	\$191	\$806

*Gross fees are the impact fees before res/non-res factors and RTA and HURF credits are applied

**Base fees are the raw fees after applying the RTA and HURF credits.

Gross Fees based on \$1,400,000 per lane mile; 8,000 vehicles per lane-mile per day (Capacity at LOS D); and thus, \$175 per vehicle mile travelled (VMT)

For a single family unit, the trip rate is 9.52 trips/day, average trip length is 9.5 miles, with 60% travel on the arterial network.

The product of the Cost/VMT, trip rate, trip length, and arterial travel results in a gross fee of \$9496.20 per single family residential unit.

SU per unit and residential/non-residential factors are applied to calculate net fees. Subtracting offsets results in recommended base fees.

Exhibit 4 Fee by Benefit Area and LOS Standard

Service Area	Proposed Streets Fee with LOS D (per SU)	Existing LOS	Estimated Fee With Current LOS (per SU)	Increase (Per SU)
Central	\$5,691	D	\$5,691	\$0
West	\$5,691	C	\$12,716	\$7,025
East	\$5,691	D	\$5,691	\$0
Southeast	\$5,691	C	\$12,716	\$7,025
South Lands	\$5,691	B	\$18,439	\$12,748

The recommended development fee for single family residences is \$5,691 for each service area, although the range of fees based on existing level of service (LOS) within each service area could be considered. The recommended fees for other uses are proportional to their relative intensity and allowable credits.

The fees for specific land uses shall be determined by the City utilizing the land use intensity factors contained in the fee tables, i.e., number of dwelling units or 1000s of square feet of non-residential building area. Portions of a development that do not generate traffic impacts may be excluded from the calculation of fees at the discretion of the City. Examples of such ancillary uses include maintenance and storage facilities on a golf course or an outdoor car wash at an auto dealership.

The fee schedule for Streets Facilities is provided in Exhibit 5. Fee ranges are provided for the West, Southeast and Southlands areas, based on fees associated with the current level of service (higher fees) and LOS D (uniform fees). The Central and East service area street facilities operate at LOS D, and so no fee range is provided.

Exhibit 5 Fee Schedule for Streets Facilities

RESIDENTIAL LAND USES

	<i>Central</i>	<i>West</i>	<i>East</i>	<i>Southeast</i>	<i>Southlands</i>
Single-Family Residential	\$5,691	\$5,691 - \$12,715	\$5,691	\$5,691 - \$12,715	\$5,691 - \$18,437
Condo/Townhomes	\$4,059	\$4,059 - \$9,069	\$4,059	\$4,059 - \$9,069	\$4,059 - \$13,150
Multi-Family/Apartments	\$3,457	\$3,457 - \$7,745	\$3,457	\$3,457 - \$7,745	\$3,457 - \$11,230

NON-RESIDENTIAL LAND USES

	<i>Central</i>	<i>West</i>	<i>East</i>	<i>Southeast</i>	<i>Southlands</i>
Retail	\$6,507	\$6,507 - \$14,541	\$6,507	\$6,507 - \$14,541	\$6,507 - \$21,084
Office	\$3,797	\$3,797 - \$8,485	\$3,797	\$3,797 - \$8,485	\$3,797 - \$12,304
Industrial	\$806	\$806 - \$1,801	\$806	\$806 - \$1,801	\$806 - \$2,612

Note 1: Fees shown represent maximum fees based on the Streets IIP Report.

Note 2: For the residential land use categories (single-family residential, condo/townhomes, multi-family residential/apartments), fees shown are per residential unit. For the non-residential land use categories (retail, office, industrial), fees shown are per 1000 square feet of building area.

Note 3: The tables don't include an administrative fee.

Appendices

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